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Proposed programme budget for the biennium 2012-2013*

Part IV
International cooperation for development

Section 13
International Trade Centre UNCTAD/WTO

(Subprogramme 6 of programme 10 of the strategic framework for the period 2012-2013)**

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* A summary of the approved programme budget will subsequently be issued as *Official Records of the General Assembly, Sixty-sixth Session, Supplement No. 6* (A/66/6/Add.1).

** *Official Records of the General Assembly, Sixty-fifth Session, Supplement No. 6* (A/65/6/Rev.1).

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Overview

Table 13.1 **Estimate of expenditure**

Proposal submitted by the Secretary-General	$32 790 400[a]
Revised appropriation for 2010-2011	$31 793 300

[a] At 2010-2011 rates.

Table 13.2 **Proposed staffing resources**

Posts	*Number*	*Level*
Regular budget		
Proposed for the biennium 2012-2013	164	1 ASG, 1 D-2, 5 D-1, 20 P-5, 31 P-4, 20 P-3, 15 P-2/1, 71 GS (OL)
Conversions[a]	2	1 P-4, 1 P-2
Approved for the biennium 2010-2011	162	1 ASG, 1 D-2, 5 D-1, 20 P-5, 30 P-4, 20 P-3, 14 P-2/1, 71 GS (OL)

Abbreviations: ASG, Assistant Secretary-General; GS, General Service; OL, Other level.

[a] Conversion from general temporary assistance to established post.

Full budget: SwF 74,679,600 (before recosting); SwF 76,641,200 (after recosting)

United Nations share: SwF 37,089,800 (before recosting); SwF 38,070,600 (after recosting)

13.1 The International Trade Centre UNCTAD/WTO (ITC) is the technical cooperation agency jointly funded by the United Nations and the World Trade Organization (WTO). Created in 1964 by the General Agreement on Tariffs and Trade (GATT), ITC has operated since 1968 under the combined auspices of GATT/WTO and the United Nations, the latter acting through the United Nations Conference on Trade and Development (UNCTAD). The Economic and Social Council, in its resolution 1819 (LV) of 9 August 1973, affirmed that ITC is the focal point for technical assistance and cooperation activities in the trade promotion field within the United Nations system of assistance to developing countries. The Centre is responsible for the implementation of subprogramme 6, Operational aspects of trade promotion and export development, of programme 10, Trade and development, of the strategic framework for the period 2012-2013. Budgetary arrangements with regard to ITC, which provide for denomination of its regular budget in Swiss francs and the equal sharing of it by the United Nations and WTO, were endorsed by the General Assembly in section 1 of its resolution 59/276.

13.2 All ITC technical assistance projects support the global partnership for development, Millennium Development Goal 8, and, in particular target 12, which calls for developing further an open, rule-based, predictable, non-discriminatory trading and financial system. In addition, specific ITC projects address Millennium Development Goals 1, 3 and 7. During the biennium 2012-2013, the Centre will continue to deploy a strategy to ensure that the benefits of trade generated by technical assistance and cooperation activities (a) target vulnerable groups, especially poor communities, to assist the eradication of poverty (Goal 1) (b) enhance the economic empowerment of women (Goal 3) and young people and (c) support the preservation of the environment (Goal 7). ITC contributes by assisting trade support institutions to support small- and medium-sized enterprise exporters to benefit from new trading opportunities by building their international competitiveness and supporting their access to new markets. In its efforts to address the Millennium Development Goals, ITC will continue to explore innovative approaches that link poor producers, in particular

women, to global value chains and international markets, thus ensuring the sustainability of poverty reduction initiatives. Focus will be placed on work with small- and medium-sized enterprises, encouraging export trade in sectors with potential for strong links to the informal sector. Priority will continue to be given to the development of innovative forms of cooperation with new partners addressing sustainable trade development. The subprogramme will continue to involve its country programme partners in monitoring the Centre's contribution to achieving the targets and indicators of the Millennium Development Goals.

13.3 In remaining committed to the support of least developed countries, landlocked developing countries, small island developing States and sub-Saharan Africa, ITC has surpassed its target of spending 50 per cent of its extrabudgetary funds for the benefit of those countries. In 2010 55 per cent of delivery was focused on those beneficiaries. The needs, priorities and absorption capacities of those countries are specific and ITC technical assistance will be tailored to their unique requirements. Furthermore, particular emphasis will be put on regional integration and regional trade opportunities, and ITC will maintain regular consultations with regional economic commissions and relevant country groups in this regard. In terms of geographic focus, Africa will continue to be the recipient of the largest share of ITC technical assistance during the biennium 2012-2013 and it is anticipated that the current level of at least 40 per cent of its total extrabudgetary resources will continue to be devoted to that region.

13.4 The goal of ITC technical cooperation activities is the strengthening of the capacity of the business sector, in particularly small- and medium-sized enterprises, in developing countries and countries with economies in transition to increase trade and export potential that will lead to a positive impact on employment and poverty reduction. ITC activities concentrate on three strategic objectives as defined in the Strategic Framework as approved by the General Assembly at its sixty-fifth session: (a) supporting policymakers in integrating the business sector into the global economy; (b) developing the capacity of trade service providers to support businesses; and (c) strengthening the international competitiveness of enterprises. The main thrust of ITC programme activity is to establish, restructure and strengthen trade support institutions and to build their capacity to become efficient multipliers of trade-related technical assistance. The Centre also provides market information as a public good.

13.5 Building on the foundation of the approved strategic framework, ITC has developed a four-year strategic plan (2010-2013) with the mission to enable small business export success in developing and transition countries by providing, with partners, sustainable and inclusive trade development solutions to policymakers, trade support institutions and the private sector. The Centre is geared to:

(a) Advise policymakers in the establishment and implementation of trade development strategies, the establishment of adequate institutional frameworks and the building of capacity for the integration of business interests;

(b) Establish and improve the network of trade support institutions, thereby increasing their capacity to support businesses;

(c) Strengthen exporters' competitiveness through the development of strategies and plans for exports, helping enterprises to become export-ready within sectors/value chains and achieving sustainable export success.

13.6 Within the four-year strategic plan, a series of major milestones or targets have been set for 2012-2013. These include:

(a) Continued development of products and services, including "export diversification" and "quick wins" during strategy implementation;

(b) An integrated and comprehensive regional export strategy developed to complement the Centre's work in national export strategy;

(c) A consolidated and strengthened network of national export strategy teams;

(d) Expanded case studies on business implications of evolving the global trading system to be developed and published;

(e) Partnership agreements with academic and training institutions in developing countries to deliver training programmes;

(f) Expansion of the benchmarking programme of trade support institutions;

(g) The World Trade Promotion Organization Conference and award becomes a worldwide flagship event to reward export success;

(h) A worldwide network of good practice trade support institutions is created, acting as ITC multipliers in the field;

(i) The new MAcMap (market access map) application is recognized as the world's leading dissemination platform of time-series tariff data and global information on non-tariff measures;

(j) Development of an annual trade leaders mentoring programme for young dynamic staff of trade support institutions or relevant ministries of developing countries;

(k) Development of customized content for the Centre's distance learning curriculum and enhancement of collaboration with international organizations and academic and training institutions;

(l) Expansion of effective sector/cluster/enterprise export competitiveness approaches, optimizing synergies with partners;

(m) Consolidation of the Centre's work on mainstreaming gender and environmental good practices in trade as well as connecting poor communities to global markets;

(n) Effective results-based management-relevant and powerful diagnostics and assessment tools for enterprises and sectors to measure pre-intervention baselines, determine the specific intervention requirements with a high level of accuracy and be able to measure results;

(o) Establishment of a wide network of experts and institutions capable of delivering exporter competitiveness services;

(p) Enhancing and augmenting of linkages to markets, seeking partnerships with large corporate groups and non-governmental organizations to buy products of ITC capacitated exporters.

13.7 The foregoing targets have been established in pursuit of the overarching objective of promoting a more equitable, inclusive international trading system to support sustainable quality growth. ITC strives to increase inclusiveness in the world trading system for the benefit of the poorest countries. The Centre works with UNCTAD, WTO and the World Bank to integrate different data sources and deliver this information as a global public good to overcome the asymmetries of information between and within countries:

(a) On trade and tariff data collection, ITC offers cutting-edge information service globally to small- and medium-sized enterprises and trade support institutions;

(b) ITC has developed a significant programme dealing with obstacles to domestic and "behind the border" trade. Non-tariff measures and private standards are the next frontiers that the

Centre is actively exploring in order to provide the trade information that beneficiaries deserve.

13.8 In addition to providing trade information, ITC is committed to activating the use of it for the empowerment of external trade authorities and constituencies in their decision-making processes. ITC helps trade support institutions to improve their tools and services to the private sector, building networks among themselves and markets on a national, regional and international level. A global benchmarking tool that the Centre is piloting will assist the organizational development of all such institutions. ITC provides support to Governments on the design of national and regional export strategies, cooperates with regional integration secretariats and is mainstreaming a gender focus within the Centre's projects and systematizing the promotion of women in trade-related decision-making bodies.

13.9 The key to sustainable job creation for poor people is access to markets. The Centre's contribution in this regard is threefold:

(a) Support to least developed countries in the process of accession to the World Trade Organization (WTO) by strengthening the interaction and coordination between policymakers and the private sector and preparing the private sector to seize new business opportunities;

(b) Support to small- and medium-sized enterprises working in the commodities sector in order to obtain new markets and climb up the value chain;

(c) Support for the integration of producers in poor countries into major international value chains, not only through the classic buyers-sellers meeting, but also through innovative platforms connecting supplier diversity programmes from multinational companies to women-owned businesses in developing countries and initiatives in such specific trade sectors as tourism.

13.10 Recognizing that the promotion of exports and resultant growth does not always trickle down to the poorest sectors of society, ITC has been increasing its efforts to ensure access to income for beneficiaries in the design, implementation and evaluation of its programmes, thus enhancing the process of mainstreaming the Millennium Development Goals into the Centre's project portfolio.

13.11 The importance of trade as a major contributor to development and the corresponding need for trade-related capacity-building activities have been fully recognized in the outcomes of various United Nations summits and other international forums. In 2003 the Monterrey Consensus of the International Conference on Financing for Development affirmed that Member States were committed to promoting trade as an engine for development. The role of the private sector has also been highlighted. The 2005 Paris Declaration on Aid Effectiveness, further strengthened by the 2008 Accra Agenda for Action, reaffirmed the primacy of meeting country needs and demands and securing long-term sustainable change. The development agenda continues to accord higher priority to trade. In May 2011 the Programme of Action emanating from the Fourth United Nations Conference on the Least Developed Countries, held in Istanbul, Turkey, underscored the important role of trade in ensuring sustainable economic development and called upon development partners to, inter alia, "implement effective trade-related technical assistance and capacity-building to least developed countries on a priority basis". In July 2011 the WTO Third Global Review of Aid for Trade, held in Geneva, highlighted the challenge to share a range of issues, including resource mobilization and the leveraging of new sources of finance. The lingering financial and economic crisis continues to exacerbate those pressures and to highlight the urgent need for progress.

13.12 The Declaration of the Fourth Ministerial Conference of WTO (Doha, November 2001) reaffirmed its support for the valuable work of ITC and called for its enhancement. The statement adopted at the Sixth Ministerial Conference (Hong Kong, December 2005) concluded with a reaffirmation of

the Centre's role, encouraging all Members "to cooperate with the International Trade Centre, which complements WTO work by providing a platform for business to interact with trade negotiators, and practical advice for small and medium-sized enterprises to benefit from the multilateral trading system" (para. 53). Consequently, ITC will continue to focus its activities on the implementation of the Doha Development Agenda and the WTO Hong Kong Ministerial Declaration by assisting Governments in mainstreaming trade into national development programmes, promoting business advocacy in developing countries and countries in transition, and working towards consolidating and expanding partnerships between the public and business sectors.

13.13 Following the global trade collapse and economic trough of 2008-2009, the volume of world exports rebounded by 14.5 per cent in 2010, but growth is expected to slow to a more modest 6.5 per cent in 2011. This indicates a return to pre-crisis trade levels. However the future remains uncertain in light of the sovereign debt problems in Europe and the United States of America, the economic slowdown in Japan triggered by the earthquake and tsunami, and the political changes in the Middle East and northern Africa. These various crises have led to a decrease in consumption and related economic output in a number of countries. Lower growth and reduced demand in developed countries have resulted in a decrease in exports in many developing countries, amplified by the high concentration of developing countries' exports on a few products and markets, making them more vulnerable to shocks. In parallel, a sluggish growth may lead to a slower growth rate of overseas development assistance which in many countries is based on a percentage of the gross domestic product. The current volatility in global trade combined with future uncertainty presents a particular challenge for developing economies.

13.14 In this context, aid for trade becomes a critical response helping countries to overcome the consequences of the crisis, to reduce poverty and to move to a sustainable growth path through export development. In view of this, it is encouraging that aid for trade commitments reached approximately $40 billion in 2009, a 60 per cent increase from the 2002-2005 baseline. Yet some developed countries are confronted with large budget deficits which make it difficult to respond adequately to the higher demand for such aid. The Centre, as an aid for trade agency, is responding to the increasing demand for technical assistance by improving the efficiency and quality of ITC services, making them more results- and impact-oriented.

13.15 Country-level technical assistance support is funded by extrabudgetary resources, complemented by regular budget resources for the design and development of global and regional programmes, as well as global public goods. Over the period 2006-2010, the Centre increased its technical assistance by 42 per cent (from $25.3 million to $35.9 million). In contrast, regular budget expenditures increased by 21 per cent (from $26.4 million to $31.9 million) over the same period.

13.16 The extension of results-based management at ITC continues to be a major factor in strengthening accountability at the Centre. Organizational goals continue to be aligned to the strategic objectives and a growing proportion of the Centre's projects have been deemed to be results-based management compliant: needs assessments completed, logframes in place, regular reviews under way and evaluations scheduled. A key measure in enhancing this approach has been the establishment of the Strategic Planning, Performance and Governance Group in the Office of the Executive Director, combining staff resources previously allocated to the Office, the Strategic Planning and Evaluation Section and the Resources and Partnership Group to establish an entity that increases the focus on this subject, in line with General Assembly resolution 64/259. Another measure taken in this regard is the establishment of the Project Quality Assurance Group, which reviews all project documents to ensure that projects are designed to meet the standard requirements for a sound basis of implementation. A further innovation during the biennium has been the creation of a centralized repository of good practice precedents from which project

managers can access suggestions and initiatives to improve project management and implementation.

13.17 In delivering its programmes, the main challenge for ITC remains the delivery to client countries of high-quality, low-cost services and programmes, tailor-made to their specific needs and circumstances, and the assurance of the sustainability of its actions for the long term. A key factor in the strategy of ITC is the continuous refinement of its tools and methodologies to ensure that the technical assistance provided is constantly aligned with the rapidly evolving needs of the world trading system. By means of the continuing application of quality assurance at the project design phase, which should be carried out in conjunction with beneficiaries and by extension of results-based management at the project implementation and monitoring stages, ITC projects and services will have a clear strategy to ensure that benefits (a) are targeted at vulnerable groups, in particular poor communities, (b) are shared by women and men, (c) support the preservation of the environment and (d) take account of sustainability issues.

13.18 The ITC programme of work is reviewed annually by the Joint Advisory Group of the International Trade Centre, the main intergovernmental policy forum of ITC, which is open to members of UNCTAD and WTO. The WTO General Council and the UNCTAD Trade and Development Board review the report and recommendations of the Group annually. In addition, the Consultative Committee of the ITC Trust Fund, which comprises representatives of both beneficiary and donor member States, has taken an increasingly active role in the review of the ITC operational plan and interim and annual reports of its actual delivery. The Committee meets at least twice a year or more frequently, as required.

13.19 At its 43rd annual meeting, in December 2009, the Joint Advisory Group endorsed the ITC strategic plan for the period 2010-2013 and the strategic framework for 2012-2013, which was approved by the General Assembly in its resolution 65/244. The proposed level of resources for the biennium 2012-2013 has been formulated on the basis of the approved strategic framework for the biennium. In line with the administrative arrangements between the United Nations and WTO, the Secretary-General submitted to the Assembly in the spring of 2011 a simplified fascicle with an indication of the level of resources that ITC planned to request for 2012-2013 (A/66/6 (Sect. 13)).

13.20 The overall resources required for the biennium 2012-2013 for this section amount to SwF 74,679,600 before recosting, at an exchange rate of SwF 1.085 to $1, reflecting a net increase of SwF 1,081,900 (or 1.5 per cent). The net increase is related mainly to the delayed impact of eight Professional posts approved for the biennium 2010-2011 and the conversion of two positions previously funded under general temporary assistance to established posts. The proposed overall requirements for section 13 for 2012-2013 would comprise:

(a) An amount of SwF 58,646,900, under post resources, for 164 posts (93 Professional and 71 General Service), reflecting a net increase of SwF 1,683,600, that relates to the delayed impact of eight Professional posts (1 D-1, 2 P-5, 3 P-4, 2 P-2) approved for 2010-2011 and the proposed conversion to established posts of 2 positions previously funded under general temporary assistance (1 P-4, 1 P-2), offset in part by a decrease under general temporary assistance corresponding to the two positions proposed to be converted to established posts;

(b) An amount of SwF 16,032,700, under non-post requirements, for operational requirements, reflecting a decrease of SwF 601,700 for the two positions funded under general temporary assistance proposed to be converted to established posts.

13.21 At its sixty-fourth session, the General Assembly approved the establishment of eight new posts and the abolition of two General Service posts, and provided funding for two functions on a temporary basis. The duties and responsibilities of the latter two positions are deemed to be of a continuous nature, hence the proposal to convert them to established posts. The functions are:

(a) *Associate Graphic Designer (P-2).* The Communications and Events Section is responsible for all communications outreach to beneficiary countries. Having a permanent in-house graphic designer has greatly increased the ability to ensure that the delivery of ITC global goods overcome language and technology literacy issues. The availability of full-time staff for this function is more cost-effective than outsourcing and eliminates delivery delays, economizes the time of the Centre's substantive staff and builds internal capacity. In instances where workload requires outsourced support, the proposed post would be the focal point for managing the work of suppliers chosen to provide selected graphics design work. Outsourcing contributes to delays owing to the need to "learn ITC" and to consequential additional costs of time spent by ITC staff. This is especially the case with respect to project work, where ITC staff members in the substantive divisions have a limited understanding of design issues: hands-on advice and coaching is essential in these cases and results in a higher return on investment than if they had to liaise with third parties. The Centre's commitment to quality improvement has been demonstrated in the corporate documentation provided to member States. The visual elements and navigational clues in the documentation have become more consistent. Having innovative ways of presenting information means easier and broader access to ITC data and information, leading to increased learning and capacity-building, and has proven to be more cost-effectve than outsourcing. During the 44th annual meeting of the Joint Advisory Group, member States responded very positively to the increased accessibility to essential ITC information. Furthermore, the ITC client survey has identified ITC publications as being the place from which the Centre has become known. The incumbent of the position has been involved with the extension of the Centre's design elements to the new, user-focused ITC website for the Centre's e-Learning platform, as well as during the ongoing redesign of the trade intelligence portals and project websites. Assistance has also been provided for the new website being developed under the Pact II project and *The Coffee Guide*. In view of the recognized need to increase the visual coherence of materials supporting the Centre's technical cooperation projects, the establishment of the proposed post is deemed to be vital in the ongoing quest for quality outcomes at ITC at a more affordable price;

(b) *Senior Programme Officer (P-4) in the Trade Institutions Strengthening Section.* The overall intent is to strengthen the capacities of local trade support institutions to improve their business practices and performance measurement in an efficient and effective manner, as well as their ability to demonstrate results and impact to their clients, stakeholders and Governments. An established post is recommended, as benchmarking is an ongoing commitment for both ITC and the partner trade support institutions. The aim is to establish a wide network of strong trade support institutions identified as ITC multipliers in the field through the concept of "one to one to many". Benchmarking provides a consistent and defined set of characteristics that allows a trade support institution to learn its level of maturity across a range of managerial functions and to understand where and how it needs to improve. It is designed to be complete, transparent and inspirational. Trade support institutions will be able to assess and then develop or enhance their managerial skills and operational services for their clients, supported by ITC capacity-building programmes and through learning and sharing of good practices with other trade support institutions via the benchmarking Web platform. The Centre has received tangible expressions of interest from trade support institutions in least developed countries, developing and developed countries for the continuation of the programme. The States members of the Joint Advisory Group expressed appreciation for the capacity-building and benchmarking programme for trade support institutions. In particular, there was support for the proposal to create an established post in this area.

13.22 The conversion of the foregoing posts would enable the Centre (a) to better respond to the recommendations of the Joint Advisory Group of December 2010, (b) to consolidate the current level of resources and to focus on improving the quality of the Centre's expanding technical assistance programme, (c) to better respond to the needs of the Centre's beneficiary countries, as expressed in the annual global clients' survey and (d) to maintain the Centre's capacity to be the main United Nations proponent for business aspects of trade development, giving tangible reality to inclusive globalization.

13.23 Miscellaneous income from various sources for the biennium 2012-2013 is projected at SwF 500,000, representing a decrease of SwF 200,000 compared to the biennium 2010-2011, attributable essentially to lower prevailing interest rates.

13.24 Table 13.4 shows the requirements for 2012-2013, expressed in Swiss francs, after recosting. The contribution of each organization is estimated at SwF 38,070,600 (net), equivalent to $35,088,100 at the 2012-2013 budget exchange rate of SwF 1.085 to $1. To ensure consistency with the administrative arrangements for ITC, as approved by the General Assembly in its resolution 59/276, further adjustments reflecting prevailing exchange rates might be necessary.

13.25 It is estimated that for 2012-2013, extrabudgetary resources amounting to approximately $88,957,100, equivalent to SwF 96,518,500, will be available. This represents an increase of approximately 8 per cent of the total extrabudgetary resources available to ITC over 2010-2011. Extrabudgetary resources complement provisions under the regular budget and enable ITC to implement its technical cooperation projects using the tools and knowledge base developed with regular budget resources.

13.26 The issue of publications remains an integral part of the programme of work of the Centre. During the course of its ongoing review of the programme in the current biennium, ITC, under the guidance of the Policy and Oversight Coordination Service in the Office of the Under-Secretary-General for Management, has revised its method of counting outputs, specifically publications, for the biennium 2012-2013 to conform to Integrated Monitoring and Documentation Information System (IMDIS) specifications. Accordingly, the apparently steep decline of the estimates between the current and the next biennium is a result in part of having treated translations and CD-ROM versions of a single publication as separate outputs. Moreover, the amounts indicated in prior years included newsletters, bulletins and other outputs that should not have been considered official publications. The approximately 500 reclassified documents are now cited appropriately as outputs under other substantive activities. In keeping with the Secretary-General's request to reduce reliance on printed output and shift to paperless production, ITC has curtailed issuance of several newsletters (see annex) in favour of providing information to its websites, which under the current definition does not qualify as a publication. It is anticipated that recurrent and non-recurrent publications will be issued as shown in table 13.3 and as described below under outputs.

Table 13.3 **Summary of publications (regular budget and extrabudgetary)**

Publications	*2008-2009 actual*	*2010-2011 estimate*	*2012-2013 estimate*
Recurrent	199	482	30
Non-recurrent	58	81	34
Total	**257**	**563**	**64**

13.27 Pursuant to General Assembly resolution 58/269, ITC continues to undertake self-evaluations of selected projects, programmes and thematic areas of work. It will also continue to devote resources to the mandatory self-assessment of subprogramme performance, which will include setting

targets, collating, analysing and updating performance information. As defined in the ITC evaluation policy, planned discretionary thematic self-evaluations include ITC programmes, work in specific countries or regions, tools and methodologies, policies and strategies, and critical internal processes. This will be supplemented by at least three donor-funded evaluations of ITC projects and programmes. The staff time devoted to self-evaluation is estimated to be 60 work-months, 48 of which are charged to the regular budget, the balance (12) to be funded from extrabudgetary resources. It is envisaged that a total of $1,288,600, comprising $937,800 in post resources from the regular budget, as well as $140,800 in post resources and $210,000 in non-post resources from extrabudgetary funds, will be utilized for this purpose.

Table 13.4 **Estimated resource requirements**

(Thousands of Swiss francs)

Category	*2010-2011 appropriation*	*Resource growth*		*Total before recosting*	*Recosting*	*2012-2013 estimate*	*2012 estimate*	*2013 preliminary estimate*
		Amount	*Percentage*					
Post	56 963.3	1 683.6	3.0	58 646.9	1 961.6	60 608.5	30 097.2	30 511.3
Non-post	16 634.4	(601.7)	(3.6)	16 032.7	—	16 032.7	8 016.4	8 016.3
Total	**73 597.7**	**1 081.9**	**1.5**	**74 679.6**	**1 961.6**	**76 641.2**	**38 113.6**	**38 527.6**
Less income	700.0	(200.0)	(28.6)	500.0	—	500.0	250.0	250.0
Net amount to be shared by each parent organization	72 897.7	1 281.9	1.8	74 179.6	1 961.6	76 141.2	37 863.6	38 277.6
Contribution by each parent organization	36 448.9	641.0	1.8	37 089.8	980.8	38 070.6	18 931.8	19 138.8

Table 13.5 **Post requirements**

	Established regular budget posts		*Temporary posts*				*Total*	
			Regular budget		*Extrabudgetary*[a]			
Category	*2010-2011*	*2012-2013*	*2010-2011*	*2012-2013*	*2010-2011*	*2012-2013*	*2010-2011*	*2012-2013*
Professional and above								
ASG	1	1	—	—	—	—	1	1
D-2	1	1	—	—	—	—	1	1
D-1	5	5	—	—	1	1	6	6
P-5	20	20	—	—	2	2	22	22
P-4/3	50	51	—	—	6	6	56	57
P-2/1	14	15	—	—	—	—	14	15
Subtotal	**91**	**93**	**—**	**—**	**9**	**9**	**100**	**102**
General Service								
Other level	71	71	—	—	11	11	82	82
Subtotal	**71**	**71**	**—**	**—**	**11**	**11**	**82**	**82**
Total	**162**	**164**	**—**	**—**	**20**	**20**	**182**	**184**

[a] Only posts funded from programme support costs of extrabudgetary funds are shown.

Programme of work

13.28 The programme of work will be implemented in accordance with the strategy detailed under subprogramme 6 of programme 10 of the strategic framework for the period 2012-2013 (A/65/6/Rev.1). The overarching objective of ITC is to assist developing countries and economies in transition to enhance their international competitiveness and increase exports with a corresponding impact on employment and poverty reduction. In pursuing its objective, the subprogramme will build on results achieved and lessons learned in the biennium 2010-2011.

13.29 The ITC publications programme, as part of the Centre's overall technical cooperation programme, is designed to assist the business sector in developing countries to have ready access to information required to gain a greater share of international exports. In the period 2012-2013 the ITC publications programme will provide thought leadership on key issues affecting international trade and will continue to educate and inform a large group of global stakeholders, while also keeping donors aware of ITC projects and expertise. Furthermore, ITC publications guide policymakers, trade support institutions and businesses on a range of trade topics that aim to achieve "export impact for good", thus contributing to putting trade to work for the Millennium Development Goals. During the biennium 2012-2013, ITC will refresh and maintain its library with its most popular reference texts; continue to publish sectorally and regionally targeted publications; and introduce a selection of world class opinion pieces on key issues affecting trade. The Centre will make these public goods more widely available to its clients through an enhanced website. The expected total number of publications for the biennium 2012-2013 is 64, including 30 recurrent and 34 non-recurrent publications. As noted in paragraph 13.26 above, ITC has revised its method of counting publications to conform to IMDIS specifications, thus reducing the number of outputs that are recurrent or non-recurrent publications. The balance of the outputs, such as newsletters, fact sheets, press releases, databases and technical material, has been included under "other substantive activities".

13.30 In order to support the foregoing activities, ITC will continue to rationalize its existing regular budget resources to support applied research, tools, product and programme development. Regular budget resources are utilized mainly for the gathering and analysis of market information and commercial opportunities and the development of generic tools for subsequent adaptation and application by individual enterprises or by partner organizations in developing countries and countries with economies in transition. This applied research focus ensures that ITC technical cooperation is of a high standard and that the lead time for and costs of input delivery at the field level are effectively reduced. Increasing use is being made of information and communications technology as a means of supporting research and delivering technical assistance inputs. Demand for ITC technical assistance continues to outpace available resources, thereby leading ITC to find innovative ways to deliver its assistance.

13.31 ITC attaches great importance to partnerships, carrying out its technical cooperation activities in coordination with its founding bodies, UNCTAD and WTO, and with a variety of agencies both within and outside the United Nations system. The Centre will continue to play an active role in the United Nations Chief Executives Board for Coordination (CEB) Inter-agency Cluster on Trade and Productive Capacities and to work closely with other agencies under the One UN umbrella. Furthermore, cooperation with aid agencies under the Enhanced Integrated Framework and Aid for Trade initiatives will continue. Partnerships with existing partners and trade-related capacity-building providers, such as the Commonwealth, the International Organization for Standardization, the Organisation internationale de la Francophonie, the World Bank, the Food and Agriculture Organization of the United Nations, the United Nations Development Programme, the United Nations Industrial Development Organization, the World Intellectual Property Organization, the regional economic commissions and the regional development banks, will be strengthened. Direct

collaboration with bilateral technical cooperation agencies, primarily from the Organization for Economic Cooperation and Development countries, in the design and implementation of field-level activities will be reinforced.

13.32 In the Centre's ongoing quest for quality, the challenge for the biennium 2012-2013 is to enhance accountability and value, further embedding results-based management into the organization; to deliver projects with greater potential for impact and to achieve long-term sustainability; to increase efficiency and effectiveness by expanding projects into larger multi-year and multi-stakeholder programmes; and to maintain the steady increase of project delivery per staff member while ensuring that delivery expectations are appropriately supported by regular budget resources.

13.33 ITC comprises three substantive divisions responsible for implementing the programme of technical assistance. Executive direction and management of the organization is provided by the Office of the Executive Director, while the Division of Programme Support renders the requisite administrative, logistical and technical services.

13.34 The Office of the Executive Director manages the corporate work programme of ITC, providing leadership and carrying out both strategic planning and corporate communication functions. The Strategic Planning, Performance and Governance Group is responsible for risk management, strategic planning, monitoring, evaluation, governance and quality assurance, while the Communications and Events Section provides public information, manages the publications programme and corporate communications, fulfilling the increasingly important role of raising awareness of the Centre's impact. The Office of the Executive Director represents ITC before Governments, United Nations bodies, WTO and other organizations, and chairs key internal committees engaged in corporate development, policy direction and strategic orientation.

13.35 Providing demand-driven, customized services to partner countries and contributing to export development in the spirit of the Paris Declaration underpinned the restructuring of ITC in the biennium 2008-2009. The establishment of the Division of Policy and Programme, renamed the Division of Country Programmes in 2010, involved grouping the five geographic/regional offices; export strategy; and the business in trade policy sections. During 2012-2013 the Division of Country Programmes will continue:

(a) To provide knowledge on countries' trade environment and trade-related technical assistance needs as a basis for needs assessment, project design and project implementation, in coordination with the work of other development partners and the technical divisions of ITC. To this end, the Division will engage in knowledge networks, build and maintain effective communication and partnerships with key country and regional stakeholders. The Division will maintain its engagement in One UN initiatives, its active participation in the CEB trade cluster and will monitor progress and results for agreed development objectives in close cooperation with partners. In the context of the global Aid for Trade debate, it will continue bringing the voice of small- and medium-sized enterprises from programme countries to the discussion;

(b) To support partner countries to determine their export development priorities and actions, at the regional, national and sector levels, by promoting public-private dialogue and stakeholder engagement, and develop trade-related technical assistance projects that respond to country needs. On the basis of participatory needs assessment, supported by a set of content and process-related tools and services, regional, national and sector strategies for export trade will be facilitated. The focus will be on promoting sustainable export growth by mainstreaming trade into the broader development framework, taking into account resources available and the potential impact of selected measures. The Division will ensure that the

framework of international trade agreements is duly considered and that there is coherence between various trade policy instruments to achieve export success. In the context of formulating the negotiation positions in international trade agreements, national trade policies and export strategies, the Division supports the small- and medium-sized business sector to understand its role and promote its interests. The Division will foster the Centre's engagement with key counterparts in partner countries, to transform action points in export strategies and relevant project ideas into integrated and coherent technical assistance plans that can attract funding and show "export impact for good". Where regional solutions respond to common trade challenges, they will be pursued;

(c) To manage the implementation of projects that cut across the Centre's different service areas and coordinate the implementation of specific technical interventions as integrated parts in national trade development approaches. Importance will be accorded to providing trade-related assistance for the most vulnerable groups, including least developed countries, landlocked developing countries, small island developing States and sub-Saharan Africa. This will include a wider and deeper engagement under the Enhanced Integrated Framework initiative. It will also include continued work in supporting least developed countries seeking accession to WTO, identifying and explaining the tangible benefits of WTO membership, and laying out what it means in practical terms to the business community. In this context, the Division advises trade support institutions on best practices for business advocacy and provides training for the private sector on identifying business opportunities arising from trade agreements.

13.36 The Division of Market Development will continue its emphasis on strengthening private sector competitiveness to enable developing countries, especially least developed countries, to take advantage of evolving market opportunities. Key trends during the biennium 2012-2013 will include adjusting to structural changes brought on by the global financial crisis and the current fragile recovery of world trade flows, responding to market demands for greater environmental sustainability and increasing transparency of non-tariff measures. To increase impact and sustainability, the Division will upgrade its products in line with the Centre's overall emphasis on larger, longer-term projects, developing regional solutions and providing global public goods, including delivering training programmes through e-learning. As part of this process, the Division will focus its approach on the Centre's three beneficiary groups: policymakers (support for policy and strategy-making); trade support institutions (primarily as multipliers); and enterprises (which use trade information, sector resources and online tools directly). The Division will deliver assistance through three core technical programmes:

(a) Market analysis and research will continue to improve developing countries' access to information about global export opportunities and market access conditions by maintaining high-quality market analysis tools as global public goods. The tools contain global information on trade flows, tariffs, non-tariff measures, foreign direct investment and private standards. The collection of data on companies' experiences with non-tariff measures through national enterprise-level surveys and the facilitation of private/public dialogue on survey findings and trade-related implications will continue. In-depth studies on specific world trade-related issues, as well as country diagnostics as inputs to national export strategies, integrated country and regional programmes and diagnostic trade integration studies will be undertaken. Furthermore, the building of sustainable trade analysis and market research capacity through face-to-face or online training programmes delivered either as part of integrated country or regional projects and in coordination with other ITC training programmes will be actively pursued;

(b) Trade information services will collaborate with trade support institutions to develop information services that meet the needs of their clients, with proposed solutions employing web, mobile and other digital technologies, where appropriate. Where sufficient institutional capacity exists, trade information networks at regional, national and sectoral levels will be facilitated. To support the development of such services and networks, in the context of the Centre's national and regional technical assistance, training programmes on trade information management and research for both trade support institutions and small- and medium-sized enterprises will be expanded through the development of online courses. To complement the strengthening of the products and services of institutions, access to web-based information resources will be provided to both institutions and their small- and medium-sized enterprises clients. These resources, including the Market News Service, trade directories and the Centre's digital library, forming part of the Centre's global public goods, will offer information on the latest market trends, business opportunities, market access issues and trade themes;

(c) Sector competitiveness is the "architect" within ITC of in-depth market-led product and services sector development, encouraging enterprises in a sector to develop market strategies, analyse their value chains, define, adapt and coordinate comprehensive multi-agency development assistance for enterprises to match supply to customer demand, converting opportunities into real, fair, value-added business and better livelihoods. Assistance will be delivered using in-house methodologies which include sector market and operations intelligence, training, coaching, project-based advisory and enabling services, peer-to-peer network linkages building with customers, sector associations and professional organizations. Fieldwork will target groups of enterprises, service providers, as well as entrepreneurs from marginalized communities and will be undertaken in partnership with business, farm, community and trade support organizations, as well as policymakers. The focus will remain on sectors and value chains of importance to developing countries and emerging economies: the food and agribusiness; ethical fashion and cultural industries; manufactured natural products; technology; and services.

13.37 The Division of Business and Institutional Support will continue its efforts to provide appropriate solutions by building the capacity of its clients, which include trade promotion organizations, private sector business associations, chambers of commerce and women's business associations. Reliable, established networks and a favourable business environment will be used to establish and enhance the international competitiveness of small- and medium-sized enterprises and exporters in developing countries. Specifically, the Division aims to provide demand-driven solutions to support policymakers, institutions and enterprises alike, by strengthening trade support institutions, enhancing export competitiveness and enabling business environments, as follows:

(a) Trade support institutions will be strengthened by increasing their facility as technical capacity multipliers in the field to offer a range of services in line with the best practices obtained through the Centre's benchmarking methodology, networking of networks and applying the concept of "one to one to many", namely using strategically placed partner trade support institutions to extend managerial skills and operational services to other institutions, exporting enterprises and individuals. The benchmarking web platform will be extended to trade support institutions and benchmarking practices will continue to be aligned to the expressed needs of the Trade Promotion Organization network and further developments, including the World Conference of Trade Promotion Organizations, to be held in Malaysia in 2012;

(b) The export competitiveness of client enterprises will be enhanced by improving the managerial skills needed to maintain and expand export readiness. Training and advisory

services will be extended in the areas of export value chain optimization, meeting quality standards required for market entry, expanding market share through improved marketing and branding practice, and the creation of increased value at source as well as extensive application of information and communications technologies (e-solutions for business);

(c) Business environments will be enabled through the design and development of client-specific programmes to deal with the range of legal issues that may arise before, during and after export transactions, by linking institutions and exporting enterprises to facilitate access to sources of financing and providing services geared to minimizing the transaction cost and otherwise improving cost-effectiveness relating to exports.

13.38 The Division of Programme Support is responsible for the technical, logistical and administrative support for ITC staff and programmes. The Division provides guidance and assistance to ITC programme management to ensure the efficient management of human, financial and other resources of the Centre in the planning and implementation of its programme of work. To this end, the Division supports the effective recruitment and deployment of staff, and is responsible for ensuring the implementation of human resources policy and planning. The Division is responsible for the accurate recording, timely reporting and effective monitoring of all regular and extrabudgetary expenditures of the Centre in compliance with the Financial Regulations and Rules of the United Nations, and for the effective planning of the use of the financial resources available to ITC. In line with this, the Division is responsible for the coordination of the implementation of the International Public Sector Accounting Standards (IPSAS) as well as the new enterprise resource planning system, Umoja. The Division provides legal advice, logistical support, liaison regarding security issues both at ITC headquarters in Geneva and in the field, management of physical assets of the Centre and control of inventory supplies. It supports the Centre's rapidly expanding reliance on information technology, developing, implementing and maintaining a wide range of both United Nations and commercially developed standard software applications designed to meet ITC strategic objectives and providing full support to the information technology infrastructure. The Division represents the Centre at inter-agency coordination meetings and activities in the context of administrative, legal, technological and security activities and is responsible for liaison with the oversight bodies and for planning, coordinating and reporting the implementation of their recommendations. Its activities aim at contributing to the attainment of the mandate and to the efforts of the Centre as a whole to increase the volume and effectiveness of technical assistance.

Table 13.6 **Objectives for the biennium, expected accomplishments, indicators of achievement and performance measures**

Objective of the Organization: To foster sustainable economic development and contribute to achieving the Millennium Development Goals in the developing and transition economies through trade and international business development

Expected accomplishments of the Secretariat	Indicators of achievement
(a) Strengthened integration of the business sector into the global economy through enhanced support to policymakers	(a) (i) Increased number of export development strategies developed and implemented, including cases in which trade is integrated into national development strategies as a result of ITC support to enable decision makers to develop effective trade and export development programmes and policies *Performance measures* (Number of trade development strategies) 2008-2009: 33 Estimate 2010-2011: 24 Target 2012-2013: 40 (ii) Increased number of country networks having generated multilateral trading system-related activities through the support of ITC to enable decision makers to understand business needs and create an environment conducive to business *Performance measures* (Number of country networks) 2008-2009: 74 Estimate 2010-2011: 92 Target 2012-2013: 98 (iii) Increased number of cases in which country negotiating positions have been enriched through analytical input and business sector participation, with the support of ITC, to enable decision makers to integrate business dimensions into trade negotiations

	Performance measures (Number of negotiating positions) 2008-2009: 50 Estimate 2010-2011: 51 Target 2012-2013: 52
(b) Increased capacity of trade support institutions to support businesses	(b) (i) Increased number of trade support institutions having improved their ranking on the ITC trade support institutions benchmarking scheme through support provided by the Centre *Performance measures* (Number of trade support institutions) 2008-2009: 22 Estimate 2010-2011: 82 Target 2012-2013: 105 (ii) Increased number of policy proposals involving ITC support having been presented by technical support institutions to the competent authorities *Performance measures* (Number of policy proposals) 2008-2009: 21 Estimate 2010-2011: 55 Target 2012-2013: 89
(c) Strengthened international competitiveness of enterprises through ITC training and support	(c) (i) Increased number of enterprises enabled to formulate sound international business strategies through ITC training on export management issues, delivered directly or indirectly *Performance measures* (Number of enterprises) 2008-2009: 495 Estimate 2010-2011: 2,100 Target 2012-2013: 2,600

(ii) Increased number of enterprises enabled to become export-ready through ITC training activities focusing on export-readiness, delivered directly or indirectly

Performance measures

(Number of enterprises)

2008-2009: 238

Estimate 2010-2011: 1,500

Target 2012-2013: 1,623

(iii) Increased number of enterprises having met potential buyers and, as a result, having transacted business through ITC support

Performance measures

(Number of enterprises)

2008-2009: 381

Estimate 2010-2011: 1,500

Target 2012-2013: 1,506

External factors

13.39 The subprogramme will achieve its objectives and expected accomplishments on the assumption that (a) the international community and other stakeholders remain fully engaged, (b) there are no significant shortfalls in actual receipt of extrabudgetary funding, (c) the political capacity and geographical conditions in recipient countries remain stable for the implementation of programme activities, (d) the mandates of the United Nations and other international organizations that impact ITC remain the same and (e) the enabling environment in the form of fiscal and monetary policies and other measures, including physical infrastructure in recipient countries, exists.

Outputs

13.40 During the biennium 2012-2013, the following outputs will be delivered:

(a) Servicing of intergovernmental and expert bodies (regular budget and extrabudgetary):

(i) Substantive servicing: annual meetings of the Joint Advisory Group (6); meetings of the Consultative Committee of the ITC Trust Fund (4);

(ii) Parliamentary documentation: annual report on the activities of ITC and annexes (4); reports of the Joint Advisory Group (2);

(b) Other substantive activities (regular budget and extrabudgetary):

(i) Recurrent publications: flagship book (1); flagship magazine (8); recurrent books and studies (6); directories and bibliographies (3); technical periodicals (12); reports of the Consultative Committee of the ITC Trust Fund (4);

(ii) Non-recurrent publications: trade promotion market surveys and commodity handbooks (34);

(iii) Recurrent bulletins and newsletters (354); miscellaneous materials (guidebooks, maps) (5); non-recurrent fact sheets (6);

(iv) Press releases (40); press conferences (4);

(v) Special events (5);

(vi) Technical material for outside users (databases, websites) (13);

(vii) An enquiry reply service will also be regularly available to the ITC network of trade support institutions, handling approximately 525 substantive enquiries;

(c) Technical cooperation:

(i) Advisory services (regular budget and extrabudgetary): approximately 1,900 short-term missions will be organized in response to requests from Governments and institutions at the regional, subregional and national levels to assess, design, formulate and implement specific technical cooperation projects or components of programmes. Specific technical areas covered by the advisory services will include assessment of users' needs and capacity gaps; sectoral export potential assessments; development of national and sectoral export strategies; setting up, promoting and managing trade information services and networks, and measuring the relevant performance; market analysis; and capacity-building of the national trade support network, including product-based and service associations; business implications of the multilateral trading system; capacity development and service enhancement in the areas of management competency; e-competency, trade finance, trade law, quality management and standards, and export packaging; institutional development and training of trainers in the areas of export, purchasing and supply management; electronic commerce and computer-based supply chain management systems; and reform and improvement of public procurement;

(ii) Group training (extrabudgetary): approximately 667 training and awareness-building events (approximately 20,138 participants) on selected topics;

(iii) Field projects (extrabudgetary): 120 (76 national, 25 regional and 19 interregional projects).

Table 13.7 **Resource requirements (full budget)**

	Resources (thousands of Swiss francs)		*Posts*	
Category	*2010-2011*	*2012-2013(before recosting)*	*2010-2011*	*2012-2013*
Regular budget				
Post	56 963.3	58 646.9	162	164
Non-post	16 634.4	16 032.7	—	—
Subtotal	**73 597.7**	**74 679.6**	**162**	**164**
Extrabudgetary	89 277.8	96 518.5	20	20
Total	**162 875.5**	**171 198.1**	**182**	**184**

13.41 The overall resources required for the biennium 2012-2013 for this section amount to SwF 74,679,600, before recosting, at an exchange rate of SwF 1.085 to $1, reflecting a net increase

of SwF 1,081,900 (or 1.5 per cent). The net increase is related mainly to the delayed impact of eight Professional posts approved for the biennium 2010-2011 and the conversion to established posts of two positions previously funded under general temporary assistance. The proposed overall requirements for section 13 for the biennium 2012-2013 would comprise:

(a) An amount of SwF 58,646,900, under post resources, for 164 posts (93 Professional, 71 General Service), reflecting a net increase of SwF 1,683,600, relating to the delayed impact of eight Professional posts (1 D-1, 2 P-5, 3 P-4, 2 P-2) approved for the biennium 2010-2011 and the proposed conversion to established posts of two positions previously funded under general temporary assistance (1 P-4, 1 P-2), offset in part by a decrease under general temporary assistance corresponding to the two positions proposed to be converted to established posts;

(b) An amount of SwF 16,032,700, under non-post requirements, for operational requirements, reflecting a decrease of SwF 601,700 for the two positions funded under general temporary assistance proposed to be converted to established posts.

13.42 The extrabudgetary resources for the biennium 2012-2013 are estimated at SwF 96,518,500, based on the fact that financial resources for trade-related technical assistance have increased significantly and ITC has been identified by donors as an important recipient of such assistance. ITC continues to negotiate with donors for the funding of large-scale integrated programmes, particularly in Africa.

Table 13.8 **Summary of follow-up action taken to implement relevant recommendations of the internal and external oversight bodies and the Advisory Committee on Administrative and Budgetary Questions**

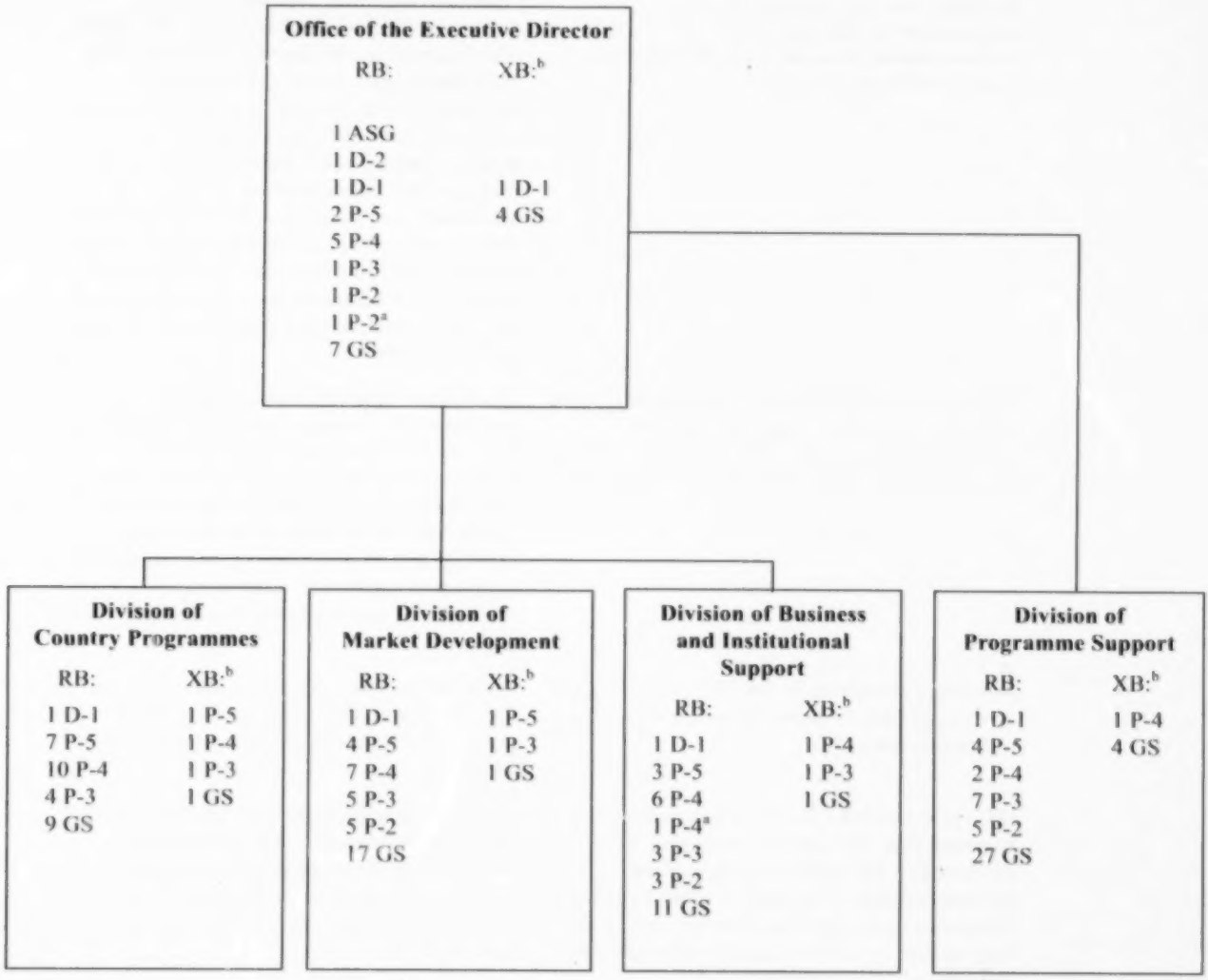
Brief description of the recommendation	*Action taken to implement the recommendation*
Advisory Committee on Administrative and Budgetary Questions (A/64/7/Add.10)	
While noting that the Centre has made some effort to improve the presentation of its budget document, the Advisory Committee believes that more remains to be done. In particular, future submissions should provide additional information on the results achieved during the preceding biennium and should focus in greater depth on the quantification of outputs and on the definition of clear and meaningful indicators of achievement. As it moves forward with the implementation of results-based management and results-based budgeting, ITC should continue to draw on the experience of and lessons learned by other organizations of the United Nations system (para. 6).	During the current biennium, ITC has initiated a review of its indicators which have been clarified and will be updated for the next review of the corporate logframe in 2012. Further, it has pursued the concept of project design that is RBM-compatible and continues to extend this approach to all new projects. ITC continues to share its experiences with other organizations in the United Nations system.

Brief description of the recommendation	*Action taken to implement the recommendation*
Board of Auditors (A/65/5 (Vol. III))	
The Board recommends that ITC analyse the impact of applying IPSAS to its administrative and financial procedures (para. 22).	ITC continues to participate as an active member of the Secretariat IPSAS Steering Committee where issues regarding IPSAS and the impact of implementing the standards are being addressed. Draft procedures and policies are being introduced in accordance with the implementation schedule.
ITC agreed with the recommendation of the Board that, in the review of the budgetary process requested by the Committee on Budget, Finances and Administration of WTO, it highlight the impact of the principle of equal sharing of the regular budget in the event that one parent organization approves a lower amount (para. 29).	An initial report to the Committee on Budget, Finance and Administration was made in autumn 2010 and following this first review, ITC submitted, in June 2011, the following recommendations to the Committee for approval: (1) ITC would continue to send the United Nations simplified budget fascicle to the WTO Secretariat for information in the spring preceding the biennium. This budget fascicle would be distributed to WTO members; (2) ITC would submit the full budget fascicle in the United Nations format to WTO members during the autumn preceding the biennium. A cover sheet including WTO budget-specific information would be added. Information would be presented in Swiss francs and United States dollars, but the Swiss franc would continue to be the currency in which the budget is approved; (3) The reports of the Advisory Committee on Administrative and Budgetary Questions on the examination of the ITC budget would be distributed to WTO members. These recommendations would provide WTO members with more detailed and timely budget information, and would avoid the issuance by ITC of two completely different documents containing the same budget information. The Committee endorsed the recommendations on the changes in the ITC budget process, which will subsequently be presented to the General Council of WTO for approval.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board recommends that ITC examine any deficiencies in the end-of-year automated processing of IMIS which have led to invalid obligations remaining in the financial statements (para. 38).	ITC has reviewed its year-end reconciliation process to ensure that unliquidated obligations which are not automatically closed by the batch system are identified and closed manually. During the closure of 2010 accounts, ITC did not find any deficiencies in the end-of-year automated processing of IMIS.
The Board reiterates its previous recommendation that ITC pursue its efforts to increase the level of the operating reserves until the prescribed level is reached (para. 41).	As at 31 December 2010, the level of the ITC operating reserve had reached $3,699,951 (compared to $2,888,694 at 31 December 2009). This amount represents 10.7 per cent of the annual expenditures of the trust funds (2010: $34,590,403). The reserve is being increased to reach the required level of 15 per cent as prescribed in administrative instruction ST/AI/284.
The Board recommends that ITC, in conjunction with the United Nations, consider a review of its policy for the valuation of leave liability in its implementation of IPSAS (para. 63).	ITC has reviewed the policy for the valuation of leave liability upon separation and has reached the conclusion that, because commuted annual leave is payable only when a staff member separates from the Organization and is derived from unused annual leave days that have gradually accrued over the entire active careers of staff members, it should be treated as a long-term benefit. Commuted annual leave has therefore been measured at the current value of the obligation in accordance with the projected unit credit methodology prescribed under IPSAS. As such, ITC considers that its valuation using actuarial principles that take into account, inter alia, the future rate of accumulation and discounting to present-day values, to be consistent with the relevant requirements under IPSAS 25. Given the audit concerns and possible different interpretations of overall leave benefits and variances in treatment of the issue throughout the United Nations system, ITC intends to discuss this further with the IPSAS system-wide group with a view to developing a harmonized approach throughout the United Nations system.

Brief description of the recommendation	*Action taken to implement the recommendation*
The Board reiterates its previous recommendation that ITC, in conjunction with the United Nations, develop a funding plan for the end-of-service liabilities for the consideration of and approval by the United Nations General Assembly and the General Council of WTO (para. 67).	The matter was addressed by the Secretary-General in his report outlining three funding strategies for end-of-service and post-retirement liabilities applicable to United Nations staff members (A/64/366). The report was reviewed by the General Assembly at its sixty-fourth session and will be further considered by the Assembly at its sixty-seventh session. In June 2011 the Committee on Budget, Finance and Administration, WTO, was provided with a briefing of the aforementioned progress at the United Nations. The Committee was advised that ITC intended to submit for approval to the United Nations and WTO a funding policy in line with that of the United Nations once decisions on the latter had been made.
ITC agreed with the Board's recommendation to refine its indicators of achievement and associated targets with a view to better assessing the qualitative impact of its projects (para. 76).	The annual report 2010 places greater emphasis on outcomes. Moreover, in April 2011 the ITC report to the Consultative Committee on the ITC Trust Fund for 2010 reported both project outputs and outcomes. The indicators of achievement have been clarified and all new projects are designed to conform to results-based management principles in order to better assess qualitative impact.
The Board recommends that ITC consider ways of creating links between budgetary resources and results (para. 78).	Work continues on creating a focus on value for money with the adoption of improved project quality assurance processes for project design.
ITC agreed with the Board's recommendation to ensure that: (a) field inventory records are correctly managed and updated; and (b) non-expendable property relating to projects completed in the field has been removed from field inventory and entrusted to other users or disposed of, if appropriate (para. 85).	ITC will ensure that (a) field inventory records are correctly managed and updated, and (b) non-expendable property relating to projects completed in the field has been removed from field inventory by the last quarter of 2011.

International Trade Centre UNCTAD/WTO
Organizational structure and post distribution for the biennium 2012-2013



Abbreviations: RB, regular budget; XB, extrabudgetary; ASG, Assistant Secretary-General; GS, General Service.

[a] Conversion of temporary assistance funding to established post requested.

[b] Funded by programme support costs.

Annex

Outputs produced in 2010-2011 not to be carried out in the biennium 2012-2013

A/54/6 (Sect. 13)/Add.1, paragraph	*Output*	*Quantity*	*Reason for discontinuation*
13.44 (b) (i)	Market briefs	8	The needs of beneficiaries and the trade information environment in which users operate have changed. This output is being complemented by other types of trade information tools and services offered by ITC
13.44 (b) (i)	*World Directory of Information Sources on Standards, Conformity Assessment, Accreditation, Metrology, Technical Regulations, Sanitary and Phytosanitary Measures*	1	Lack of resources to continually update the database. Moreover, data is obtained from the websites of international bodies that are kept up to date by these bodies, thus creating duplication
13.44 (b) (i)	Trade law in West and Central Africa Organization for the Harmonization of Business Law in Africa (OHADA) (database — joint publication)	1	OHADA has an up-to-date and complete website; maintaining an ITC website would create duplication
13.44 (b) (i)	Global spice markets	1	The needs of the trade information environment in which users operate have changed. This output will be adapted in favour of more targeted substantive activities, including booklets and technical materials, which will be available on the ITC website and distributed through field counterparts.
13.44 (b) (i)	Enterprise competitiveness newsletter	20	The needs of beneficiaries and the trade information environment in which users operate have changed. This output will be consolidated with other information presented from ITC in a more comprehensive manner and made available to subscribers with the use of online, electronic alerts directing users to updated web pages on the ITC website

A/64/6 (Sect. 13)/Add.1, paragraph	*Output*	*Quantity*	*Reason for discontinuation*
13.44 (b) (i)	Business environment newsletter	6	The needs of beneficiaries and the trade information environment in which users operate have changed. This output will be consolidated with other information presented from ITC in a more comprehensive manner and made available to subscribers with the use of online, electronic alerts directing users to updated web pages on the ITC website
13.44 (b) (i)	Strengthening trade support institutions newsletter	6	The needs of beneficiaries and the trade information environment in which users operate have changed. This output will be consolidated with other information presented from ITC in a more comprehensive manner and made available to subscribers with the use of online, electronic alerts directing users to updated web pages on the ITC website
13.44 (b) (ii)	Product map	1	The needs of beneficiaries and the trade information environment in which users operate have changed. This output is being complemented by other types of trade information tools and services offered by ITC
	Total	**44**	